

*Below you will find a list of action steps taken by **PT** to address the problem.*

**Health Fund action steps:**

1. Financial Status of the Fund:
  - Previously, the financial state of the Protective Trust's health fund may not have been communicated as clearly as we believe it needs to be.
  - In April, we held a statewide meeting for all health fund members to discuss the state of the fund. In July of 2014 we held three health forums across the state to discuss the matter, as well. We will continue to keep our members informed through similar events and other communications.
2. Health Advisory Committee:
  - The Advisory Committee has been in our by-laws, but was not active.
  - We revived the Advisory Committee because we needed guidance and assistance in making the transition to Wellmark. We will continue to utilize the Health Advisory Committee and have revived the Property/Liability Advisory Committee & Workers' Compensation Advisory Committee.
3. Plan designs:
  - We had reached more than 260 plans in the health fund, which is an unmanageable amount.
  - There are now eight plan designs to choose from, which will set the fund up for future stability and success.
4. Plan Documents:
  - ACA put complexity into plan documents, which weren't being created in a timely fashion.
  - This has been remedied as Wellmark will generate ACA compliant documents.
5. Annual Negotiating Rates & Premium Allocation:
  - Previously, the calculated premium amounts did not include overhead costs, which lead to severe underfunding, and rate discounts were exceedingly aggressive.
  - When reviewing the premium renewal method, what the calculated premium comes out to is the actual renewal premium needed.
6. Regional Wrap Networks:
  - These networks formerly allowed access to out of out-of-network providers and costs for the access was not properly covered.
  - This problem is solved with the Wellmark network, as all providers are eligible for in-network status.

7. Pharmacy Benefit Management:

- Previously, there was no pre-authorization or step therapy protocols in place.
- We transitioned service providers in October of 2014 to help save plan dollars and follow plan documents.

8. Health Billing:

- Billing was previously based completely on Excel spreadsheets and was inefficient.
- This problem will be fixed as clear identification of who the coverage is for and amounts can be reconciled in new billing program.

9. Monthly Status Reports:

- We made the decision to stop sending monthly status reports in July, 2014. Those reports were inaccurate and did not encompass all the costs for each district, which made each plan appear as though it was performing better than it was.
- This issue is rectified with the Wellmark employer log in portal, which provides a plethora of data on each district's plan.

10. COBRA Administration:

- School districts were asked to administer COBRA, which presents a possibility for errors.
- Problem will be rectified by moving to Wellmark, who will handle COBRA administration in health plans.

11. Broker/Consultant Transition:

- Previously, we contracted broker/consultant services from Benefitmall in Phoenix, AZ.
- In September we transitioned to SilverStone in Sioux Falls, SD, who have provided ACA webinars to all members and GASB 45 Services upon request.

In addition, a full scope audit of the Protective Trust has been commissioned by ASBPT and will be completed in 2015.